VZCZCXRO5446 PP RUEHAG RUEHDF RUEHIK RUEHLZ RUEHPOD RUEHYG DE RUEHMZ #0128/01 1611432 ZNR UUUUU ZZH P 101432Z JUN 09 FM AMCONSUL MUNICH TO RUEHC/SECSTATE WASHDC PRIORITY 4799 RUEKJCS/SECDEF WASHDC RUCPDOC/USDOC WASHDC RUEHZG/NATO EU COLLECTIVE RUCNMEU/EU INTEREST COLLECTIVE RUCNFRG/FRG COLLECTIVE

UNCLAS SECTION 01 OF 02 MUNICH 000128

SENSITIVE SIPDIS

E.O. 12958: N/A

TAGS: PGOV EUN ECON PREL GM

SUBJECT: EU ELECTIONS IN BAVARIA: CSU RELIEVED, SPD SMASHED,

INDEPENDENTS DISILLUSIONED

SENSITIVE BUT UNCLASSIFIED. PLEASE PROTECT ACCORDINGLY.

REF: A) Berlin 683 (B) Munich 119

SUMMARY

11. (SBU) The Christian Social Union (CSU) in Bavaria is relieved after having handily made the five percent hurdle in the June 7 European Parliament (EP) elections. The drawing power of Economics Minister zu Guttenberg and the party's uniquely Bavarian election message worked. With its good showing, the CSU mobilized enough Bavarian voters to win nearly half of all votes cast in the state and more than 7 percent of the federal total, giving the party eight seats in the EP. The Independents (Freie Waehler, FW) drew so little support that they failed to enter the EP and likely will forego participation in the Bundestag election in September. The Bavarian Social Democratic Party (SPD) beat the national SPD in the race to the bottom (REF A). The EP results could put further stress on the Grand Coalition in Berlin as the CSU, with renewed self-confidence, takes an increasingly visible role in Berlin and looks to gain a stronger hand in formulating the combined CDU/CSU campaign platform. End Summary.

Cheers at the CSU

- 12. (SBU) CSU party officials hailed the 48.1 percent result as a striking recovery from the most recent 2008 Bavarian Landtag election, when the CSU drew just 43.7 percent of the vote. The CSU has comfortably topped the 5 percent national threshold required to enter the EP. With 7.2 percent of the overall German vote, it now sends eight parliamentarians to the EU, compared to the nine it sent after the 2004 election (REF B). The CSU's central campaign message was "nationalistic": that the CSU was the only party that is exclusively Bavarian and a vote for any other party could lead to a loss of a "truly Bavarian" voice in the EP.
- (SBU) Despite the local holiday and no other elections on the ballot, voter turnout in Bavaria bucked the national downward trend and increased from 39 to 42 percent. This was the first real test for CSU party chairman and Bavarian Minister President Horst Seehofer, who has worked hard to rejuvenate the party. The popularity of the relatively new Economics Minister Karl-Theodor zu Guttenberg (the "zu Guttenberg factor") certainly helped. Zu Guttenberg made headlines for his skeptical take on the Opel rescue package, and the CSU put his face on campaign posters thereafter. Moreover, a recent national poll revealed that 61 percent of German voters shared his skeptical view with regard to state subsidies for the bankrupt retail giant Arcandor.

The SPD: Keyless and Clueless

 $\P4$. (SBU) There is no bottom yet to the fall of the Bavarian SPD.

Mirroring its national performance, it achieved its worst post-war result ever with 12.9 percent of the Bavarian vote, just 1.4 percent more than the Greens. The Bavarian SPD proved how badly organized it is at the final pre-election rally on June 5, where fewer than 20 spectators endured delay and then waited over thirty minutes for the party's lead candidate, Wolfgang Kreissl-Doerfler, to stop talking on his cell phone with his back turned to the audience. Likewise, at the June 8 post-election press conference, journalists were squeezed into a tiny room since the SPD had lost the keys to the larger conference room where they normally hold such events.

Independents Fail and Fight in Public

15. (SBU) Meanwhile, the Freie Waehler (Independents) failed to repeat their breakthrough performance of 2008, when they won over 10 percent of the vote in the Bavarian state election. This time, with 6.7 percent in Bavaria and merely 1.7 percent nationally, the FW fell far short of the votes needed to enter the EP. Consequently, at a press conference in Munich on June 8, both national chairman Armin Grein and Bavarian chairman Hubert Aiwanger declared they expected the group to forgo the federal elections in September, noting that the FW would take a formal decision at a June 20 board meeting. Just at this point in the press conference, Gabriele Pauli breezed in late, where she repeated her election night proclamation that she intended to form a party of her own. Pauli, the top Freie Waehler candidate for the EU election, notorious Bavarian politician, and FW Landtag deputy, apparently had not informed Aiwanger and Grein in advance of her plan, as they were visibly "not amused" at her gambit that risks splitting the Freie Waehler.

MUNICH 00000128 002 OF 002

COMMENT

COMMENT

- 16. (SBU) One thing is certain. The more confident CSU will now insist on having more of a say in the joint CDU/CSU campaign platform, a development which will make the CSU more of an equal partner, and a more difficult one at that, for Chancellor Merkel. It is also clear that Economics Minister zu Guttenberg will continue to take a prominent role as the party moves into the national election. Called a "man to watch" by the Financial Times, zu Guttenberg has become the de facto leader of the CDU's/CSU's free-market, low-tax, pro-business faction. His stance of economic orthodoxy has boosted his popularity, and his standing up to Chancellor Merkel on the Opel rescue played well in Bavaria and nationally. In contrast to zu Guttenberg, CSU Chairman Horst Seehofer has spoken in favor of saving retail companies such as Arcandor and Schaeffler because of the many people they employ in Bavaria, although he says he completely supports zu Guttenberg and denies they disagree substantively on the issue. Finally, the EP election outcome seems to indicate that Bavarians are still comfortable with the fact that the CSU has had to govern in a coalition with the Free Democratic Party since the 2008 state election. In fact, in the EU election, the FDP was able to more than double its 2004 EP election showing from 4.2 to 9 percent. End comment.
- \P 7. (U) Consulate General Munich coordinated this cable with Embassy Berlin.

NELSON